

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

Component/Facility	O&M & Corps Expense 1/	Project Use Energy Costs	Total
COST TO BE ALLOCATED			
<u>Storage</u>			
American River (0353)	3,433.30		3,433.30
Black Butte O&M COE (0214)	16,794.75		16,794.75
Clear Creek Tunnel (0416) (1910)	33,397.48		33,397.48
Clair Hill, CA Whiskeytown Dam (0416) (1910)	28,574.28		28,574.28
Coleman Fish Hatchery (1741) (1910)	364,002.39		364,002.39
Columbia-Mowry System (1785)	27,528.70	1,187.92	28,716.62
Delta Cross Channel (0863) (1910)	25,792.56		25,792.56
Folsom Complex (0353)	58,891.40		58,891.40
Folsom Dam & Reservoir (0353) & (1910)	52,395.44		52,395.44
Folsom Garage (0353)	33,537.66		33,537.66
Folsom Pipeline (0353)	8,895.59		8,895.59
Folsom Plant Maintenance Draw (0353)	29,023.10		29,023.10
Folsom Pumping Plant (0353) & (1910)	76,138.62	14,426.27	90,564.89
Friant Dam & Reservoir (1785) & (1910)	168,842.45	4,379.81	173,222.26
Gianelli, WR PGP (0805)	660,170.80	50,563.56	710,734.36
Regeneration Credit		(25,521.00)	(25,521.00)
San Felipe Unit	(142,656.31)		(142,656.31)
Nimbus Dam & Reservoir (0353) & (1910)	13,635.54		13,635.54
Reservoir and River Operations (0725)	6,573.57		6,573.57
San Joaquin River (1785)	26,897.66		26,897.66
Sacramento River (0725)	50,725.53		50,725.53
Shasta Dam & Reservoir (1741) & (1910)	201,500.49	38,782.73	240,283.22
Sisk, BF San Luis Dam (0805)	802,898.86		802,898.86
Spring Creek Tunnel (0416)	14.23		14.23
Trinity Dam & Reservoir (0416) & (1910)	12,504.87		12,504.87
Total Storage	2,559,512.96	83,819.27	2,643,332.24
<u>Conveyance</u>			
Folsom South Canal (0353)	330,303.29		330,303.29
<u>Direct Costs - Pumping & Other</u>			
City of Fresno - Friant Water Authority Offset (1785)	707,188.00		707,188.00
City of Shasta Lake (1741)		20,413.07	20,413.07
Contra Costa PP (Contra Costa WD) (0863)		272,084.99	272,084.99
Colusa County (0725)		669.76	669.76
Folsom South Canal (1910)	32,124.84		32,124.84
Pleasant Valley PP (City of Coalinga) (0805)		37,154.83	37,154.83
San Benito County WD			
Gianelli, WR PGP (0805)	11,053.01	32,674.07	43,727.08
Pacheco PP (0805)		28,037.33	28,037.33
San Luis WD Relift (0805)PP		3,836.90	3,836.90

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

Component/Facility	O&M & Corps Expense 1/	Project Use Energy Costs	Total
<u>Direct Costs - Pumping & Other (continued)</u>			
Santa Clara Valley WD			
San Luis and Delta Mendota WA Offsets (0805)	317,319.14		317,319.14
Santa Clara Valley WD Deficiencies - Delta Mendota Canal (0921)	105,642.53		105,642.53
Coyote PP (805)		101,793.28	101,793.28
Gianelli, WR PGP (0805) 2/	131,603.30	389,054.86	520,658.15
Pacheco PP (0805) 3/		333,828.07	333,828.07
Westlands WD Relifts (0805)		8,495.76	8,495.76
Wintu PP (Bella Vista WD) (0725)		3,270.70	3,270.70
Total Direct Costs (Pumping & Other)	1,304,930.82	1,231,313.61	2,536,244.43
Sub Total	4,194,747.07	1,315,132.89	5,509,879.95
Water Marketing 1/	2,173,637.12		2,173,637.12
Total Costs to be Allocated	6,368,384.19	1,315,132.89	7,683,517.07
<u>COST TO BE DIRECT BILLED</u>			
<u>Conveyance</u>			
Arroyo Pasajero (0805)	(9.46)		(9.46)
Delta Mendota Canal (0863)	181.18		181.18
Friant Kern Canal (1785)	422.38		422.38
Little Panoche Creek Det Dam (0805)	(49.40)		(49.40)
Los Banos Creek Det Dam (0805)	(10.70)		(10.70)
O'Neill Dam/O&M (0805)	(56.58)		(56.58)
Red Bluff Dam (0725) (1910)	953.85		953.85
Red Bluff Research PP (0725)	1,368.48		1,368.48
San Luis Canal (0805)	(723.48)		(723.48)
San Luis Canal Turnouts (0805)	48.62		48.62
Stony Creek CHO (0725)	1,796.85		1,796.85
Tehama-Colusa Canal (0725)	414.84		414.84
Tehama-Colusa Fish Facility (0725)	1.15		1.15
Toyon Pipeline (1741) 1b/	35,194.32		35,194.32
Total Conveyance	39,532.05		39,532.05
<u>Conveyance Pumping</u>			
Dos Amigos PP (0805)	(112.26)	34,180.96	34,068.70
O'Neill PGP (0805)	7,056.41	111,772.18	118,828.59
Regeneration Credit		(14,537.50)	(14,537.50)
Tracy Pumping Plant (0863)	725.36	786,975.77	787,701.13
State-Delta PP			
Total Conveyance Pumping	7,669.51	918,391.42	926,060.93
Total Costs to be Direct Billed	47,201.56	918,391.42	965,592.98
Grand Total	6,415,585.75	2,233,524.31	8,649,110.06

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

Footnotes

1/ Financial Statement Costs are taken from Schedules 22 & 25 of the 2005 CVP Consolidated Financial Statement (F/S). For certain facilities, the power costs have been isolated and shown under "Project Use Energy" . FY 2005 O&M Expenses are as follows:

	Joint Expense Recorded in F/S Sch 25	Expenses or Credits Not Recorded in F/S Sch 25 a/	Total Per F/S Sch 22	Other Adjustments to Expense b/	Total Expenses per Ratesetting	Total Expenses to be Direct Billed per Ratesetting	Total Expenses to be Allocated per Ratesetting
Storage	2,674,640.57	0.00	2,674,640.57	(31,308.33)	2,643,332.24		2,643,332.24
Carriage	10,880.88	330,303.29	341,184.17	2,646,001.16	2,987,185.33	965,592.98	2,021,592.35
Water Marketing	c/ 2,660,382.56	35,194.32	2,695,576.88	(521,939.76)	2,173,637.12		2,173,637.12
Other		2,816,612.64	2,816,612.64	(1,971,657.27)	844,955.37		844,955.37
Interest on Investment		(77,335,928.69)	(77,335,928.69)	77,335,928.69	0.00		0.00
Financial Statement Balance	5,345,904.01	(74,153,818.44)	(68,807,914.43)	77,457,024.49	8,649,110.06	965,592.98	7,683,517.07

a/ Detail of financial statement expenses or credits in Schedule 22 but not recorded in the Multipurpose Expense Schedule 25.

<u>Storage</u>	<u>Carriage</u>	<u>Water Marketing</u>	<u>Other</u>
	Folsom South Canal (0353)	Toyon Pipeline (1741)	SLDM WA Offset (0805)
			Santa Clara Valley WD Defic. (0921)
			Friant Water Authority Offset (1785)
			Folsom South Canal (1910)
Total	0.00	330,303.29	35,194.32
			1,862,679.27
			105,642.53
			816,166.00
			32,124.84
			2,816,612.64

b/ Detail of Ratesetting O&M Expense Adjustments to Reconcile with F/S Schedule 22:

<u>Storage:</u>				Total
Gianelli WR PGP costs moved to Direct Pumping			(142,656.31)	
Columbia-Mowry System moved from Water Marketing			27,528.70	
PUE costs from "2005 PUE used in FY 2005 B-6" (F/S Sch 16)			83,819.27	
				(31,308.33)
<u>Carriage:</u>				
Toyon Pipeline moved from Water Marketing			35,194.32	
Gianelli WR PGP costs moved from Storage			142,656.31	
Dos Amigos PP - FY 2003 Adjustment			1,126.36	
SLDMWA Offsets transferred from Irrigation (Sch 19)			317,319.14	
PUE costs from "2005 PUE used in FY 2005 B-6" (F/S Sch 16)			2,149,705.04	
				2,646,001.16
<u>Water Marketing:</u>				
Toyon Pipeline moved to Carriage			(35,194.32)	
Columbia-Mowry System moved to Storage			(27,528.70)	
CFO adjustment for Foresthill PUD and Contra Costa WD e/			2,752.69	
Non-Permanent Contractor Revenue (Includes Non-Project Water Revenue) d/			(461,969.43)	
				(521,939.76)
<u>Other</u>				
San Luis Delta Mendota WA Offset - FY 2002 and FY 2003 Adjustments			(1,862,679.27)	
City of Fresno (Friant Water Authority Offset) - FY 2004 adjustment			(108,978.00)	
				(1,971,657.27)
Interest on Investment				77,335,928.69
Total				77,457,024.49

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

Footnotes (continued)

c/ Includes General and Administrative Expenses.

d/ Non-Project water revenue - Contra Costa WD's revenue related to Los Vaqueros.

e/ Foresthill PUD's FY 2005 distribution and Contra Costa WD's FY 2003 thru FY 2005 distribution. Ref: 2005 M&I Application of CFO/PFR Audit Adj Analysis.Z09.xls

2/ Determination of FY 2005 Gianelli, WR Pump Generator "Storage" and "Direct Pumping" costs allocated to the San Felipe Unit are as follows:

	San Felipe Unit (Storage)			All Other Storage Contractors	Total
	Total	Direct Pumping Applicable To Gianelli, WR Pump Generator San Benito	Santa Clara		
2005 Storage Deliveries (A/F)	82,012	6,354	75,658	297,513	379,525
Ratios	0.21609	0.07748	0.92252	0.78391	1.00000
Allocated Gianelli,WR Pump Generator Costs (Excludes Regeneration Credit) - 2005:					
Direct Costs	142,656.31	11,053.01	131,603.30	517,514.49	660,170.80
Project Use Energy Costs	421,728.92	32,674.07	389,054.86	50,563.56	472,292.48

3/ Allocation of Pacheco Pumping Plant costs - Allocation is based on same water delivery ratios as shown in 2/ above.

Total	San Benito	Santa Clara
361,865.40	28,037.33	333,828.07

Note: Storage Expense Allocation

(The following calculations are provided for use on Schedule of CVP Allocated Municipal and Industrial Storage Expense)

	San Felipe Unit		All Other Contractors	Total
	Other Storage Expense	Direct Pumping Gianelli, WR PGP		
Allocated Gianelli, WR PGP Costs:				
Direct Costs (see 5/ above)		142,656.31	517,514.49	660,170.80
PUE Costs/Excludes Regenerating Credit (see pg 1)			50,563.56	50,563.56
Regeneration Credit			(25,521.00)	(25,521.00)
Less: Gianelli, WR PGP Costs Allocated to Direct Pumping		142,656.31		(142,656.31)
Sub-total				542,557.04
Allocated Other Storage O&M Expense	453,956.51		1,646,818.68	2,100,775.19
Total Allocable Storage Expense	453,956.51		2,189,375.72	2,643,332.24

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005

M&I Revenue per Schedule B-2 (excluding Voluntary Payments)	16,824,598.35
FY 2005 revenues recorded erroneously to FFS 4c/	127,756.94
FY 2005 revenues included in ratesetting in FY 2005 but will be included in F/S in FY 2006 4c/	202,757.19
FY 2005 Voluntary Payments included in F/S and Ratesetting in FY 2005 (Contra Costa WD)	1,035,416.61
Prior year revenue adjustments included in ratesetting in FY 2005 but will be included F/S in FY 2006 4c/	(62,425.32)
Prior year revenues included in F/S in FY 2005 but included in ratesetting in prior year 4c/	(192,928.10)
FY 2005 Voluntary Payments included in F/S and Ratesetting in FY 2005 4c/	1,636,966.61
Prior Year refunds and revenue reapplications included in F/S in FY 2005, but included in ratesetting in prior year 4c/	(1,669,661.65)
Prior year Voluntary Payment refunds included in F/S in FY 2005 4c/	(66,567.30)
Contra Costa WD - FY 2005 \$2.50 administrative charge applied to capital repayment (\$2.50 * 18,364 A/F)	45,910.00
FY 2006 Voluntary Payments included in F/S in FY 2005 - Contra Costa WD	118,695.00
Conveyance Income - Delta Mendota Water Authority	756,840.42
M&I Revenues Per Financial Statement (Sch. 21)	18,757,358.75

Reconstructed Excess of Income Over Expense at 9/30/04 (See 2006 Water Rates, Sch B-7) (35,834,090.53)

FY 2005 Activity per Ratesetting: O & M Expense	7,683,517.07
Net change from Financial Statement Costs 1/	
Other Adjustments to Expense 1b/	(77,457,024.49)
Total O&M Expense	(69,773,507.41)
Total Costs to be Direct Billed 1/	965,592.98
M&I O&M Expenses and Interest per F/S (Sch. 22)	(68,807,914.43)

Total Current Year Result per F/S (Sch. 20) 87,565,273.18

Transactions Incorporated into Ratesetting in Prior Years but not in F/S @9/30/2005 (differences between Ratesetting and Financial Statement)

Revenue:	
FY 2004 revenues included in ratesetting in FY 2004 but included in F/S in FY 2005	193,205.97
Prior year revenues included in ratesetting in FY 2004 but included in F/S in FY 2005	(3,173.87)
PY Rev. included in ratesetting in FY '03 but not included in F/S as of 9/30/05 (CCWD & City of Roseville)	(63,716.83)
	126,315.27
Expense:	
PEIS capitalized	
FY 1992 through FY 1998 (see 99MFB8AE.Z03)	(2,206,215.99)
Adjustment to F/S in FY 1999 (see 1999 F/S Sch. 26)	2,134,366.00
	(71,849.99)
PEIS not capitalized	
Cost through 10/92	33,490.33
FY 1993 cost	3,753.00
	37,243.33

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ **RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)**

Transactions Incorporated into Ratesetting in Prior Years but not in F/S @9/30/2005 (differences between Ratesetting and Financial Statement)

Expense (continued):		
Friant D&R , Drum Gates capitalized through FY 2003	(745,067.38)	
Tracy PP, upgrade SCDA System capitalized (FY 1999)	(6,214.00)	
FY 1993 Adjustment (see FY 1995 M&I and IRR Water Rates)	1,670.11	
Dos Amigos PP adjustment to F/S	1,670.84	
O'Neill Dam prior year adjustment not included in F/S - Schedules 22 & 25	(185.66)	
Shasta D&R (Coleman Fish Hatchery) included in F/S twice.	(548,119.97)	
Banks Pumping Plant adjustment (FY 1999 - FY 2002)	36,111.57	
Deferred (2005 - 2007) Chief Financial Officer (CFO) adj (Conv. & WM only) plus amounts not allocated	(1,456,385.90)	
Equity Adjustment - Deferred CFO/PFR Adjustment (Sch. 12)	1,035,196.27	
Chief Financial Officer Adjustment (PUE)		
Included in F/S in FY 2004	(235,645.59)	
Included in ratesetting in 2001 through 2004 accountings	133,063.43	
		(102,582.16)
Chief Financial Officer (CFO) PUE adjustment to F/S	130,952.85	
Chief Financial Officer Adjustment for San Felipe Division still in the plant account (needs to be moved to the exp. account)	206,620.97	
Provision for Replacement credit included in ratesetting (2001 thru 2004 accountings)	(318,347.32)	
Arroyo Pasajero (0805) FY 2002 Conveyance Expense not included in FY 2002 accounting	(6,938.84)	
SLDMWA Offsets transferred from IRR (Sch 19) - Santa Clara Valley WD & San Luis WD (DMC & SLC)	2,649,560.78	
City of Fresno - Friant Water Authority Offset transferred from irrigation	108,978.00	
FY 2004 voluntary payments included in ratesetting in FY 2004 but included in F/S in FY 2005	(23,414.49)	
FY 2004 O&M surplus refunds included in F/S in FY 2005	28,991.90	
Contra Costa WD, FY 2005 voluntary payments included in F/S in FY 2004	89,383.78	
Prior year voluntary payments reapplied - CCWD, Sacramento County WA, Riverview Golf & CC (see 2004 Sch. B-3A)	1,664,994.80	
Prior year voluntary payments refunds included in F/S in FY 2005 - Westlands WD, San Luis WD (SLC)	66,486.92	
Provision for Replacement costs not included in F/S - Sch.22 (FYS 1998 thru 2000)	33,966.00	
Interest Adjustments:		
FY 2004 interest adjustment to F/S	(11,991,038.09)	
FY 1997 interest adjustment to F/S - Contra Costa WD's interest not included in ratesetting	(179,495.00)	
PUE Costs		
Direct Billed for Fiscal Years 1998 through 2004 (see prior years' ratebooks)	(2,735,534.08)	
Adjustment to F/S (Fiscal Years 1998 & 2000)	(437,910.76)	
		(3,173,444.84)
Conveyance Income		
Tehama Colusa - FY 1999	148.58	
Delta Mendota - Fiscal Years 1999 through 2004	3,701,322.73	
		3,701,471.31
Contract Administrative Fees	6,200.00	
Warren Act Contractor Revenue	3,144,644.57	
Title Transfer Revenues	522,390.00	
Rescheduled Water Revenues	129,756.80	
Non-Storable 215 water	215,099.66	
Restoration Fund (Interest portion of transfer water revenues)	605.00	
Prior year adjustment (see 2004 Sch. B-7, Recon worksheet)	(53,225.88)	
Prior year capital and deficit adjustments due to the title transfers (19,910,054.66 +64,328,657.59)	(84,238,712.25)	
M&I settlement interest adjustment	(133,896,815.69)	
PFR rounding adjustment	13.04	
		(222,873,513.69)
Cumulative Recorded Excess of Income Over Expense at 9/30/2005 per F/S (Sch. 12)		(171,142,331.04)

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ **RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)**

Transactions Incorporated into Ratesetting but not in F/S at 9/30/2005 (differences between Ratesetting and Financial Statement)

Revenue:

FY 2005 revenues erroneously included in F/S. They will be reversed in FY 2006. (see 2005 M&I PY ADJUSTMENT.Z09)	(127,756.94)
FY 2005 revenues included in ratesetting in FY 2005 but will be included in F/S in 2006 4c/	(202,757.19)
Prior year revenues recorded in ratesetting in FY 2005 but will be included in F/S in 2006 4c/	62,425.32
Prior year revenues recorded in ratesetting in FY 2004 but will be included in F/S in 2006 -County of Madera (SX#:050320FQ023)	2,896.00
Prior year revenues included in ratesetting in FY 2003 but will be included in F/S in 2006 (CCWD & City of Roseville)	63,716.83

Expense:

PEIS capitalized		
FY 1992 through FY 1998 (see 98MFB8AE.Z03)	2,206,215.99	
Adjustment to F/S in FY 1999 (see FY 1999 F/S Sch. 26)	(2,134,366.00)	
		71,849.99
PEIS not capitalized		
Costs through Oct. 31, 1992	(33,490.33)	
FY 1993 costs	(3,753.00)	
		(37,243.33)
Friant Dam & Reservoir, Drum Gates capitalized (through FY 2003 - 745,067.38)		745,067.38
Tracy PP, Upgrade SCDA System capitalized (1999)		6,214.00
FY 1993 adjustment (see FY 1995 M&I & IRR Rates)		(1,670.11)
Shasta D&R (Coleman Fish Hatchery) included in F/S twice		548,119.97
Banks Pumping Plant adjustment (FY 1999 - FY 2002)		(36,111.57)
Dos Amigos PP adjustment to F/S (FY 2004: - 2,797.20)		(2,797.20)
O'Neill Dam - FY 1998 adjustment not included in F/S, Schs 22 & 25 (see FY 1999 F/S)		185.66
Deferred (2006 - 2007) Chief Financial Officer (CFO) adj (Conv. & WM only) plus amounts not allocated 4b/		974,793.03
Equity Adjustment - Deferred CFO/PFR Adjustment (F/S, Sch. 12)		(1,035,196.27)
Chief Financial Officer (CFO) PUE adjustment included in F/S	235,645.59	
Chief Financial Officer (CFO) PUE adjustment included in ratesetting through FY 2005	(166,820.10)	
		68,825.49
Chief Financial Officer (CFO) PUE adjustment to F/S		(130,952.85)
CFO adjustment for San Felipe Division (09216530; WM) is in plant account and will be moved to expense account		(206,620.97)
Provision for Replacement credit included in Ratesetting (2001 through 2005 - see CFO & PFR ADJ worksheet)		345,709.21
Arroyo Pasajero (0805) - Fiscal Year 2002 conveyance expense not included in 2002 accounting		6,938.84
SLDMWA Offsets transferred from IRR (Sch 19) - Santa Clara Valley WD FY 2004 & FY 2005 (786,881.52 + 317,319.14)		(1,104,200.66)
FY 2005 PUE cost included in ratesetting in FY 2005 (cost included in F/S Sch. 16)		(2,233,524.31)
FY 2005 Voluntary Payments included in Ratesetting in FY 2005, but will be included in F/S in FY 2006 4c/		373,673.71
FY 2005 O&M surplus refunded or reapplied 4c/		(2,229,746.87)
FY 2005 VP PY O&M deficit reapplied - See Sch. A-3A, Sacramento County WA, Terra Bella ID		(18,546.24)
Contra Costa WD, Fiscal Year 2006 Voluntary Payments included in F/S in 2005		(118,695.00)
Provision for Replacement costs for Fiscal Years 1998 - 2000 not included in F/S, Sch. 22 (11,322 * 3)		(33,966.00)
Interest Adjustments:		
FY 2005 interest True-up adjustment to F/S		534,255.81
FY 1997 Interest for Contra Costa WD (repayment contracts) not included in ratesetting 4a/		179,495.00
Direct Billed Conveyance/Conveyance Pumping Costs		
Fiscal Years 1998 through 2004	2,735,534.08	
Fiscal Year 2005	965,592.98	
Adjustment to be recorded in F/S for Fiscal Years 1998 - 2000 (See 98MFB8AE.Z02)	437,910.76	
		4,139,037.82

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ **RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)**

Transactions Incorporated into Ratesetting but not in F/S at 9/30/2005 (differences between Ratesetting and Financial Statement)

Conveyance Income		
Tehama Colusa - Fiscal Year 1999 (148.58)	(148.58)	
Delta-Mendota WA - Fiscal Years 1999 -2004 (3,701,322.73) & 2005 (756,840.42)	(4,458,163.15)	
		(4,458,311.73)
Warren Act Contractor Revenues through Fiscal Year 2005		(3,601,195.76)
Non-Storable Project 215 Water Revenues through FY 2005		(271,126.01)
Special Supplemental 215 Contractors Revenues through FY 2005		(1,192.00)
Contract Administrative Fees		(6,200.00)
Title Transfer Revenues through FY 2005		(546,700.00)
Rescheduled Water Revenues through FY 2005 (included in Sch. A-4A - Storage)		(172,159.42)
Restoration Fund (Interest portion of Transfer Water Revenues) - will be moved to Restoration Fund Account		(605.00)
City of Roseville pump credit included in ratesetting but not included in financial statement		1,164,600.00
Prior year interest True-up adjustment not included in prior year reconciliation - adjustment recorded in F/S in 2005		1,662,390.54
Prior year (1995) expense adjustment: Refer to M&I Title Transfer Adjustment.xls		488,395.48
Foresthill PUD credit adjustment		813.60
M&I Settlement interest adjustment included in 2004 accountings		133,896,815.69
		<u>128,758,943.93</u>
Reconstructed Excess of Income Over Expense at 9/30/2005		<u>(42,383,387.11)</u>

- a/ Interest for the period 1/97-9/97: 31,372.00 (Contra Costa Canal) + 77,682.00 (Contra Loma D&R) + 70,436.00 (Contra Costa New Facility) = 179,495.00
b/ Chief Financial Officer Adjustment (excludes PUE), Ref; CFO & PFR ADJ worksheet, M&I Application of CFO & PFR Audit Adj Analysis.Z09.

Storage (included in Water Marketing in Ratesetting)

Trinity River Division (0416)	806,473.26
-------------------------------	------------

Carriage

Sacramento River Division (0725)	20,989.00
----------------------------------	-----------

Water Marketing

Trinity River Division (0416)	294,144.95	
Sacramento River Division (0725)	176,541.27	
Delta Division (0863)	2,621,069.29	
San Felipe Division (0921)	589,839.52	
		3,681,595.03
Total CFO adjustment		4,509,057.29
Less: Adjustment included in accountings (2001/2003)		(2,089,485.64)
Total adjustment deferred over a 5-year period		2,419,571.65
Less: Annual distribution amounts included in accountings (2003/2004/2005)		1,444,778.63
Remaining balance to be distributed for FY 2006 & FY 2007 plus amounts not allocated		<u>974,793.03</u>

c/ **Reconciliation of Income to Financial Statement at 9/30/2005**

Fiscal Year 2005 revenues recorded erroneously in F/S (see 2005 M&I PY ADJUSTMENT.Z09)		
Colusa County WD - SX#: 060320OA007	0.20	
Dos Palos Power Authority - Warren Act (66*3.89)	256.74	
Foresthill PUD (1,500*85.00) - SX#: 060320OA001	127,500.00	
		127,756.94

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)

c/ Reconciliation of Income to Financial Statement at 9/30/2005 (continued)

FY 2005 revenues included in ratesetting in FY 2005 but will be included in F/S in FY 2006 (See Sch B-2 Worksheet:CY ADJ)	
Bella Vista WD (-260*64.77)	(16,840.20)
Broadview WD ((3+1)*27.22)	108.88
Byron Bethany ID (-17*16.02)	(272.34)
Centerville CSD (340*19.15)	6,511.00
City of Avenal (-166*12.40)	(2,058.40)
City of Coalinga (153*15.56)	2,380.68
City of Fresno ((-240-11+85+64+44)*85.83), (11*56.84)	(4,352.90)
City of Huron (11*13.04)	143.44
City of Lindsay (-14*24.04)	(336.56)
City of Orange Cove (601*-20.80) - rate change	(12,500.80)
City of Redding - TP (2*15.00)	30.00
City of Redding - SR (-62*15)	(930.00)
City of Redding - SCC (-16*15.16)	(242.56)
City of Roseville (-178*9.00)	(1,602.00)
City of Sacramento (6241*9.00)	56,169.00
City of Shasta Lake (-57*19.14)	(1,090.98)
City of Tracy (-177*23.74)	(4,201.98)
City of West Sacramento (14*15.00), (2776*19.17)	53,425.92
Clear Creek CSD (534*32.15)	17,168.10
Colusa County WD (-1*23.03)	(23.03)
Contra Costa (-3151*23.02)	(72,536.02)
Contra Costa WD (698*3.89)	2,715.22
Del Puerto WD (1*18.64)	18.64
Delano Earlimart ID (35*22.41)	784.35
Department of Veterans Affairs (6*29.53)	177.18
Dos Palos Pwr Auth - Warren Act - W0812 (-7*14.31)	(100.17)
El Dorado ID - FD&R (20*15.00)	300.00
Fresno County WW#18 (-3*15.00)	(45.00)
Lake California P.O.A. (200*15.00)	3,000.00
Madera ID - Warren Act - W3185 (2*13.99)	27.98
Mountain Gate Com. SVCS. Dist (106*15.00)	1,590.00
Orland-Artois WD (52*44.21)	2,298.92
Panoche WD - DMC, rate change only; (10*(36.49-39.87)), (14*(36.49-23.39))	149.60
Panoche WD - SLC (4*35.34), rate change only for (14*(40.96-44.78)) & (48*(40.96-35.34))	357.64
Sacramento County WA (20*15.48)	309.60
Sacramento Suburban WD - Warren Act - W2918 (48*15.71), (2*15.71), W2864 (804*23.47), (713*23.47)	36,389.49
San Benito County WD - I/B (-344*36.13), (1,200*36.13)	30,927.28
San Benito County WD - O/B (-344*43.00), (1,200*43.00)	36,808.00
San Juan WD (-236*18.69), (-1,562*22.64)	(39,774.52)
San Juan WD - Warren Act (-45*11.17)	(502.65)
San Luis WD - DMC (12*15.00)	180.00
San Luis WD - SLC (-3*63.88)	(191.64)
Santa Clara Valley WD - I/B (-3466*45.71)	(158,430.86)
Santa Clara Valley WD - O/B (-3466*43.00)	(149,038.00)
Shafter Wasco ID ((102+112)*23.07))	4,936.98
Shasta County #25 (-6*20.82)	(124.92)
Shasta CSD (-9*16.30)	(146.70)
Shasta CWA (-31*24.25)	(751.75)
SMUD (117*12.96)	1,516.32
SMUD Transportaion Rate (117*7.27)	850.59
State of California (6*35.46)	212.76
Stony Creek WD (35*20.26)	709.10

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ **RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)**

c/ **Reconciliation of Income to Financial Statement at 9/30/2005 (continued)**

Tea Pot Dome WD (1*33.11)	33.11	
Terra Bella ID (206*23.8)	4,902.80	
US Forest Service - BB (*15.12)	136.08	
Westlands WD (-61*31.67)	(1,931.87)	
		(202,757.19)
FY 2005 Voluntary Payments included in ratesetting in FY 2005, but will be included in F/S in FY 2006		
Contra Costa WD - SX#: 060320ZM012	143,787.49	
Contra Costa WD - SX#: 060320ZM012	168,172.73	
City of Redding - SR	16,071.71	
East Bay MUD	43,820.75	
Lake California P.O.A.	84.19	
Mountain Gate CSD	1,712.87	
Riverview Golf & CC	23.97	
		373,673.71
Prior year revenue adjustments included in ratesetting in FY 2005 but will be recorded in FFS in FY 2006		
City of West Sacramento (1,581*19.17)	30,307.77	
Bella Vista WD (486*63.30)	30,763.80	
Dunnigan WD (25*54.15)	1,353.75	
		62,425.32
Prior year revenue adjustments recorded in FFS in FY 2005, but recorded in ratesetting in prior year (See 05M&I PY Adjustments.Z09.xls & M&I 2004 Sch B-2 F.Z08.xls)		
Broadview WD (3*42.58)	127.74	
Byron Bethany ID (1*27.3)+(-6*27.3)	(136.50)	
City of Avenal (-153*13.34)	(2,041.02)	
City of Coalinga (276*14.3)	3,946.80	
City of Fresno (-420*10)	(4,200.00)	
City of Huron (-55*14.7)+(1*14.7)	(793.80)	
City of Lindsay (5*36.25)	181.25	
City of Orange Cove (117*47.62)+(-49*47.62)+(-64*47.62)	190.48	
City of Redding - SCC (545*19.46)	10,605.70	
City of Redding - SR (11*25.14)	276.54	
City of Redding - TP (8*15.00)	120.00	
City of Roseville (3895*9)	35,055.00	
City of Shasta Lake (366*23.97)	8,773.02	
City of Tracy (-25*32.10)	(802.50)	
Clear Creek CSD (303*48.33)	14,643.99	
Contra Costa WD (Non-Proj) (238*5.01)	1,192.38	
Contra Costa WD (-7539*38.83)	(292,739.37)	
County of Madera (-1*28.96)+(7*30.22)	182.58	
Delano-Earlimart ID (22*28.19)	620.18	
Dept of VA (9*36.47)	328.23	
Dos Palos Pwr Auth (Warren Act) (156*20.29)	3,165.24	
Fresno County WW #18 (20*15.00)+(-3*15.00)	255.00	
Lake California P.O.A. (200*9)	1,800.00	
Lindsay-Strsthmore ID (13*28.94)+(17*28.94)+(20*28.94)+(34*28.94)+(-12*60.65)	1,703.16	
Pacheco WD -SLC (1*72.02)	72.02	
Panoche WD - SLC (-5*44.78)	(223.90)	
Sac Suburban WD (Warren Act) (1607*23.47)	37,716.29	
Sacramento County WA (-37*19.02)	(703.74)	
San Benito WD (380*79.13)	30,069.40	
San Juan WD (Proj. 215) (282*22.64)	6,384.48	
San Juan WD (Warren Act) (101*13.28)	1,341.28	

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)

c/ Reconciliation of Income to Financial Statement at 9/30/2005 (continued)

Prior year revenue adjustments recorded in FFS in FY 2005, but recorded in ratesetting in prior year		
San Luis WD - DMC (27*15.00)	405.00	
San Luis WD - DMC (Proj. 215) (1*24.73)	24.73	
San Luis WD - SLC (9*63.88) (9*63.88)	1,149.84	
San Luis WD - SLC (Proj. 215) (1*29.74) (6*26.23)	187.12	
Santa Clara Valley WD (-1829*88.71)+(719*88.71)	(98,468.10)	
Shafter-Wasco ID (77*31.93)	2,458.61	
Shasta County #25 (23*9)	207.00	
Shasta County WA (671*9)	6,039.00	
Shasta CSD (70*24.25)	1,697.50	
SMUD (419*12.96)	5,430.24	
SMUD w/o Delta (419*7.27)	3,046.13	
State of CA (-1*35.46)	(35.46)	
Stockton East WD (190*28.72)	5,456.80	
Stony Creek WD (4*28.72)	114.88	
Tea Pot Dome WD (1*49.23)	49.23	
Terra Bella ID (75*31.41)+(200*31.41)	8,637.75	
Westlands WD (-18*49.51)+(2*47.49)+(290*49.51)	13,561.70	
		(192,928.10)
 FY 2005 Voluntary Payments for prior and current year deficits recorded in FFS and Ratesetting in FY 2005		
Bella Vista WD	218,150.96	
Broadview WD	386.01	
Centerville CSD	3,859.92	
City of Redding - SR	27,893.43	
City of Redding - SCC	21,944.25	
City of Redding - TP	618.88	
City of Roseville	327,086.59	
City of West Sacramento	45,542.70	
Colusa County WD - will be moved from 0214B833 to 0214B889 in 2006	143.27	
East Bay MUD - will be moved from 0214B833 to 0214B887 in 2006	475,000.00	
Lake California P.O.A. - will be moved to 0214B833 to 0214B809 in 2006	2,441.42	
Mountain Gate CSD	36,197.27	
Sacramento County WA	15,687.78	
Sacramento County WA - correction to FY 2004 FFS input error	(15,687.78)	
Santa Clara Valley WD	447,269.60	
Shasta CWA	18,604.78	
Shasta CWA (Shasta County #25) - will be moved from 0214B833 to 0214B803 in 2006	8,948.89	
Terra Bella ID	2,858.46	
US Forest Service - BB	20.18	
		1,636,966.61
 Excess Voluntary Payments refunded due to the title transfer adjustments		
Riverview Golf & CC	(80.38)	
San Luis WD - SLC	(1,412.30)	
Westlands WD	(65,074.62)	
		(66,567.30)

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2005
2007 M&I WATER RATES

4/ **RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2005 (Continued)**

c/ **Reconciliation of Income to Financial Statement at 9/30/2005 (continued)**

FY 2005 O&M surplus refunded or reapplied		
Broadview WD - refund	(63.72)	
City of Redding - TP (applied to the FY 2006 voluntary payments)	(37.93)	
Contra Costa WD - refund	(2,215,352.59)	
Lindsay-Strathmore ID - refund	(1,305.37)	
San Juan WD - refund	(12,987.26)	
		(2,229,746.87)
Prior year refunds and revenue reapplications included in FFS in FY 2005, but included in ratesetting in prior year		
City of Shasta Lake	(16,471.65)	
Contra Costa WD	(1,631,348.78)	
Lindsay-Strathmore ID	(11,690.07)	
Sacramento County WA	(10,151.15)	
		(1,669,661.65)